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U.S. DEPARTMENT OF TRANSPORTATION**

**BEFORE THE U.S. SENATE
SUBCOMMITTEE ON SURFACE TRANSPORTATION
AND MERCHANT MARINE
COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION
March 13, 2000**

I would like to thank Chairman John McCain and Senator Slade Gorton for the invitation to speak to the Committee today. My name is Richard B. Felder and I am the Associate Administrator for the Office of Pipeline Safety (OPS) in the Research and Special Programs Administration (RSPA), U.S. Department of Transportation (DOT). I speak to you today to describe our ongoing efforts to respond to last year's tragic pipeline incident here in Bellingham. In addition, I will describe the pipeline safety program's efforts to keep American communities safe, including our recent work to prevent failures, to enhance environmental protection, to improve data and public access to information, and to respond to emergencies.

On behalf of Secretary Rodney E. Slater, Administrator Kelley S. Coyner and the rest of DOT, I would like to express our condolences to the families of Wade King, Steven Tsorvias and Liam Wood, and all families around the country that have experienced a similar loss. No community should have to suffer the loss that this community has experienced, and no family should have to suffer the loss that these families have experienced. I hope the steps RSPA is taking to respond to this incident and to prevent others like it may bring this community and these families some comfort. The experience of this incident has caused all of us to redouble our efforts to prevent such incidents from occurring.

In addition, I would like to thank Senator Murray and Senator Gorton for their profound cooperation and assistance that they and their staff have provided since this horrible accident. Both have shown great interest in our program and in ways to improve the level of pipeline safety in Bellingham, Washington, and throughout the nation.

Responding to Bellingham

To respond to the tragic incident that took place here last year, RSPA has worked closely with the State of Washington and the affected communities. We understand the need for an immediate response and answers following such an incident, and we are working to provide the community with the assurance they need.

We have brought the latest technology to bear in the Department's assessment of the Olympic pipeline. While we have worked in the short-term to restore public confidence, RSPA expects our long-term actions to produce significant safety outcomes, and I will address those today. In the short-term, RSPA has required immediate corrective action. We have maintained continuous oversight and have assigned a permanent inspector to Washington State. We are committed to assuring long-term corrective action based on investigation findings. RSPA continues to work closely with the National Transportation Safety Board, the Department of Justice, the City of Bellingham and Washington State. We will continue to take enforcement action as warranted, pending the results of the investigation. The pipeline has been shut down and Administrator Coyner has been clear and firm in her resolve that it will not reopen until all safety concerns are satisfied.

Our corrective action plan is comprehensive. RSPA has required reduced pressure on the entire system. This provides the same safety as pressure testing because it reduces the pressure on the pipeline to the same degree that the pressure test increases the pressure on the pipeline, thereby providing the same safety margin. In addition, RSPA required hydrostatic pressure testing on appropriate portions of the line and improvements to valves and the computerized pressure control system. We have required additional training, with particular attention to the qualification of controllers. RSPA conducted a design review, including assessing the ability of the pipeline to withstand the maximum pressure that could build up in case of valve closure. RSPA required diagnostic tests on the pressure control system.

RSPA required internal inspection of the line. This testing will provide extensive information on the current condition of the line and we believe it will provide the best possible way to detect any conditions which could threaten future safety. RSPA will require repair, replacement, or further hydrotesting as appropriate, for any defects identified.

To conduct the additional testing, the line must be put back in operation during the testing. This will be done at a reduced pressure. Before this occurs, however, RSPA will assess the current condition of the line and the ability of Olympic

Pipeline Company to operate safely. We are close to finalizing our review. After the additional testing is conducted, the line will once again be taken out of service until the Department is satisfied that the line can be safely operated. RSPA will continue to work with the State of Washington, local communities, and other interested stakeholders in every possible way to assure your concerns are addressed.

Comprehensive Statewide Inspection

On October 27, 1999, Secretary Slater directed the Office of Pipeline Safety to work with the Washington Utilities and Transportation Commission (UTC) in conducting a comprehensive review of all pipelines in the State of Washington. To this end, OPS is assessing the safety level of all aspects of pipeline performance, and developing a statewide map and inventory of all pipeline facilities which will be made publicly available. RSPA believes this effort will provide additional safety assurances for citizens here.

Our comprehensive review will address all aspects of pipeline safety, including time of construction, pipe materials, maximum operating pressure, type of commodity transported, internal inspections, failure history, pipe inventory and weld type, maximum flow rate and tank conditions. RSPA also is conducting field verifications of equipment and personnel and visiting pipeline right of ways.

In addition to ensuring the pipeline industry's compliance with all existing regulatory requirements, RSPA is closely reviewing how individual operators address issues of public safety and environmental protection. We will also detail a plan for the continuing safety oversight program for each pipeline system. As I already mentioned, RSPA is also developing a statewide map and inventory of all pipeline facilities which will be made publicly available.

In addition to the information just described, the final report on our comprehensive review will include a description of the public education, liaison, and emergency response planning activities which are expected of every pipeline operator; an overview of the current one-call system, including other aspects of excavation damage prevention programs; and a list of regulatory compliance contacts and executives for each operator. This report will be finalized this Spring, and made available to the public. RSPA believes this comprehensive review effort will provide additional assurances for citizens here, and will serve as a model for pipeline safety activities nationwide.

Long-Term Plan for Pipeline Safety

RSPA has learned a number of lessons from the unfortunate experience in Bellingham that will benefit our long-term plan for the national pipeline safety program. RSPA is committed to continuously improving the pipeline safety program to address risks to public safety and to the environment. Our goal is to prevent incidents like Bellingham from ever happening again.

I would like to take this opportunity to discuss the existing program, and to outline some of our ongoing efforts to enhance the pipeline safety program and provide increased protection of public safety and the environment.

Overall, RSPA has worked to solidify the foundation of pipeline regulation and to revitalize our approach to oversight, both of operators' compliance, and their broader efforts to assure the integrity of the national pipeline system. While our regulations today address the need for pipeline integrity through design, construction, operation, maintenance, operator qualification and response, RSPA will strengthen them further with additional requirements for testing, assessing and addressing the integrity of the national pipeline system. Our current safety standards and oversight practices speak to the need for many forms of inspection and testing, sometimes with very specific schedules. Our initiatives in recent years have focused on further reducing incidents caused by four leading causes of pipeline failure: outside force, corrosion, human error and material defects.

This pipeline safety program has evolved in the 1990's, from an \$8 million to a \$36 million dollar per year program. RSPA has set its priorities based on the highest risks to public safety and the environment. President Clinton's budget request for next year seeks an unprecedented level of resources for the pipeline safety program, \$47.1 million, a 28.5 percent increase above this year's budget. This increase targets the leading cause of failures in all underground utilities, including pipelines, damage associated with excavation. This request includes about a 50 percent increase in grants to states to assist communities with protecting their citizens from pipeline failures by building their damage prevention capabilities and increasing their efforts to oversee the integrity of pipelines. The Administration's budget request includes additional funds for research on outside force damage to locate defects on pipelines at the earliest possible time.

Ongoing Efforts to Program Improvement

RSPA is undertaking a number of efforts, outlined below, to improve the existing program:

Addressing Excavation Damage: First, RSPA will provide strong Federal leadership to address one of the leading causes of pipeline failures B excavation damage. Secretary Slater has set a goal of reducing incidents caused by outside force damage by 25 percent, and RSPA will need everyone to help share in the responsibility for digging safely. RSPA will be providing initial support for a nonprofit organization to continue best practice efforts; to educate the public about how to Dig Safely, using our new national campaign; and to establish a clearing house for damage prevention incident data so we can evaluate program effectiveness. Our national Dig Safely efforts continue, with more than 25 training sessions hosted around the country since June to kick off local campaigns. Many communities are realizing the importance of damage prevention. Also, we must invest in research to better detect and monitor excavation damage. As already mentioned, the Administration's FY01 request includes additional funds for research on outside force damage to locate defects on pipelines at the earliest possible time.

Ensuring Operators are Qualified: Second, we are addressing the human side of the pipeline safety equation. Last year, RSPA finalized a statutory requirement for an operator qualification program to assure a workforce capable of performing safety functions and responding to abnormal conditions. RSPA will work aggressively with operators to review their progress in developing qualification programs. Where progress is inadequate, RSPA will intervene.

Improving Data Availability and Use: Third, a critical lesson RSPA has learned is that we have to improve data collection, and make better use of the information we have. We can do this by assuring integration of information obtained from internal inspections with one call and operating data.

Improving Public Access to Information: Fourth, RSPA is investigating how to help communities better protect pipelines and be informed about the effectiveness of each company's safety programs. We have learned much from the experience of working with Governor Locke's Fuel Accident and Prevention Response Team and from meetings with city and state officials. We are pleased that the Washington State Utilities Commission Chair, Marilyn Showalter, has joined our Pipeline Safety Technical Advisory Committee. While we have requirements today to alert

emergency responders about the existence of pipelines, we believe there are opportunities to work better with organizations at the community level that are capable of making informed decisions about the adequacy of pipeline safety and prevention options. We are working with Safe Bellingham, the National League of Cities and other public interest groups on pilot testing some new approaches to improving communications among communities, operators and regulators.

Fostering State-Federal Partnerships: RSPA emphasizes our commitment to State partnerships **B** to providing adequate resources to support State programs and to finding better ways of involving States in activities that enable communities to live safely with pipelines. These activities include identifying local concerns, investigating those concerns, and identifying ways communities can better protect themselves and the pipelines that traverse them.

The Administration plans to seek additional statutory authority to protect public safety and the environment through an improved pipeline safety program. RSPA looks forward to working with the sponsors of existing pipeline safety legislation in both the House and the Senate, and other Members of Congress, state and local governments, and interested stakeholders on completing a pipeline safety bill this year.

Conclusion

In closing, RSPA renews its commitment to assure continuous improvement in pipeline safety and in protecting both the public and the environment. Thank you, and I would be pleased to answer any questions you have.